



North of the River Municipal Water District

4000 Rio Del Norte Street • Bakersfield, CA 93308 • Office (805) 393-5411 • FAX (805) 399-8911

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CALFED Bay-Delta Program
1416 Ninth Street, Room 1155
Sacramento, CA 95814

Dear Sir/Madam:

The following are my agency's comments regarding the Revised Phase II Report, as they relate to the Water Use Efficiency Program.

DRAFT PREFERRED PROGRAM ALTERNATIVE

1. WUE first paragraph page 64, states the program will "establish measurable objectives." Elsewhere in this document measurable objectives are further defined to include outcome indicators based on actual water use, such as reduced demand on the Bay-Delta System, increased water quantity, and other items that sound an awful lot like specific numerical water savings targets. Water supplier stakeholders have consistently told CALFED staff that this was unacceptable. The state of the art of water conservation is not such that reliable linear relationships between money spent, programs implemented and water saved can be predicted with any degree of certainty. The understanding of this point is crucial when viewed in the context of the proposed linkages, assurances, and regulatory compliance aspects found elsewhere in the CALFED program, and this document. The assured implementation of reasonable cost-effective water conservation programs is the key here. The available water savings will show themselves.
2. Page 65, top paragraph, refers to improvements in water quality reducing the need for water to meet soil leaching requirements. Has this conclusion been quantitatively analyzed, or is this just theory? What reasonable reduction in Total Dissolved Solids (TDS) can be expected by some as yet to be determined water quality improvements, in particular when the best scientific hope for improved water quality, the Isolated Facility, is not even a blip on the long-range planning radar? What will be the net effect on salt accumulation in the upper areas of the soils horizon when reduced leaching due to lower evaporation-transpiration rates, drip irrigation and other reduced irrigation strategies have taken place for sustained periods of time? Will these effects be outweighed by some unspecified reduction in TDS? In any event, I don't believe CALFED has a basis to make this assertion.
3. The next assertion (same paragraph) regarding increased water quality by reducing runoff from farms and urban areas is again, only half of the picture. Similar to item 2 above, what will be the redirected impact on the farms and urban areas that will be subsequently

accumulating solids at a proportionally increased rate? Is this result better when looking at this situation holistically? Has it been analyzed as such?

4. The next assertion (same paragraph) regarding how WUE measures can increase water supply reliability is also maybe half of the story. While this may be true under certain sets of circumstances, it is also true under others that the more water use efficient we become, the less ability we have to adapt to future droughts without suffering increasingly significant adverse socio-economic consequences. In other words any remaining "play" or inherent reserve capability is continually being built out of the system, and the negative impacts from a drought will be magnified. In particular this "hardening" is occurring, when this state's population is growing at the rate of half a million people a year and our water supply seems to be on a continuing reduction cycle. Has this relationship been analyzed within the context of future droughts similar to previous ones? What are the potential redirected impacts here?
5. Page 66. On what do you base your statement that "stakeholders agree that water conservation can provide significant benefits etc." What stakeholders? Since probably the majority of water agencies potentially affected by this program are still in the dark as to even its existence, how can CALFED make that assertion? I would hazard that yes, there are some benefits resulting from water conservation, more for some, less for others, and zero for others more. At this stage of technical and practical knowledge, and lack of developed detail or analysis, the net water conservation contribution to the CALFED solution is problematic at best.
6. The California Urban Water Conservation Council (CUWCC) and the Agricultural Water Management Council (AWMC) are the logical entities to perform the certification function as was entertained by CALFED staff previously. In fact, CALFED asked the CUWCC if it would perform this function: to which it answered overwhelmingly in the affirmative. We don't need to create additional regulatory entities to do that which the two councils are already geared-up to do. These councils are the epitome of stakeholder driven, locally-directed processes referred to elsewhere in CALFED publications.
7. Page 68, referring to assurances (as previously referred to, water-based sanctions). The prospective use of denying the receipt of new water as described in the subject document, unless an agency is appropriately certified, makes good sense. This prerequisite can be reasonably administered. However, the other two examples continue to be offensive and problem causing. The sanction pertaining to water transfers flies in the face of the newly added statement regarding the water transfer program: "...and CALFED actions must not interfere with the historical ability to transfer water". Moreover, many agencies have contractual rights to use what are being described as CALFED agency facilities. Can CALFED by fiat alter these rights? Isn't this just plain blackmail?

Heretofore, I believe CALFED to have been overstating when it said denying use of the Drought Water Bank was DWR policy if certain criteria were not met. True, there is reference to demonstration of reasonable water conservation efforts and management as a criteria, but as far as I have been able to determine, DWR has yet to have denied an agency water from the Bank due to that reference. In any event, this assurance is nothing but barbaric. There are other ways to gain compliance that do not punish people and businesses in this manner. Instead, for example, the cost for this water could be

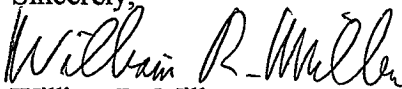
significantly higher for these kinds of entities. And earlier on, a reasonable non-compliance fine structure coupled with the "sharply increased levels of planning, technical, and financing assistance" mentioned earlier in this subject draft will go a long way to encourage the levels of water conservation compliance hoped for, and in a humane manner.

8. Page 68. WUE vs. new storage. As has been stated to CALFED staff many times before, and in this letter, numerical targets (by any other name) for water saved cannot be used as a condition for future storage, or anything else, as a trigger for future actions. It is the programs in place that matter, not artificial quantity goals that have too many variables and lack of good science to be reliable as criteria for such important decisions.

STAGE 1 ACTIONS, WUE; LIST OF 16

1. Item #1. Measurable objectives (numerical water savings targets) have already been commented on.
2. Item #3. State and Federal technical and planning assistance to local agencies should be non-duplicative and consolidated as best as practical to be more efficient and cost effective.
3. Item #4. We don't need to create yet another body (public advisory committee) to achieve the goals listed in Item #2. The best groups available to CALFED to accomplish these are the stakeholder aplenty Ag and Urban Councils.
4. Item #5. The Department of Water Resources is already the "entity" responsible for the Urban Water Management Plans. They should remain so.
5. Item #14. Metering, at least for the Urban MOU, is one of the BMPs. There should not be any requirement to meter an agency's customers, just to perform the exercise. If metering is not cost-effective in accordance with the MOU, than any other requirement to meter has to have the differential in funds between the cost-effective limit and the actual cost to do so, provided up front to affected agencies. Of course, this comment also applies to any other conservation requirement that exceeds an agency's locally determined cost-effective boundary.

Sincerely,



William R. Miller
General Manager